and therefore it does not apply to a personal contract to refrain from certain acts for a specified time. *Doyle v. Dixon,* 97 Mass. 208. And two dissenting judges hold that the rule is the same in New York. *McKinney v. McCloskey,* 78 N. Y. 594.

Both the weight of authority in this country and in England supports the majority decision. 8 Am. & Eng. Enc. Law (1st Ed.) p. 688; *Davey v. Shannon,* 4 Exch. Div. 81; *Perkins v. Clay,* 54 N. H. 518; *Browne, Stat. Frauds,* Section 282 b.

CONVERSION—BREACH OF CONTRACT—REORGANIZATION OF RAILROAD.—INDUSTRIAL AND GENERAL TRUST, LIMITED, v. TOD ET AL., 63 N. E. 285 (N. Y.).—The bondholders of an insolvent railway company, pending foreclosure, conferred on a reorganization committee title to the bonds, for the purpose of reorganizing the affairs of the railroad; gave them power for that purpose, and required the committee to adopt a plan of reorganization giving notice thereof. *Held,* that an action of conversion will not lie against members of committee for using bonds to pay price of the railway company on a sale on foreclosure, without first making plan of reorganization and giving notice thereof, such a failure being a breach of contract.

This decision is directly opposed to the findings in *Cox v. Stokes,* 156 N. Y. 491; *United Water Works Co. v. Omaha Water Co.,* 164 N. Y. 41; *Laverty v. Snethen,* 68 N. Y. 522. It applies the principle set down in *Walter v. Bennett,* 16 N. Y. 250. The decision draws a sharp line between conversion and breach of contract.

CORPORATIONS—BUILDING ASSOCIATIONS—PAID-UP STOCK—PREFERRED CREDITORS.—CASHEN V. BUILDING AND LOAN ASSOCIATION ET AL., 41 S. E. 51 (Ga.).—Plaintiff had purchased some full paid "stock" of the defendant association with the agreement that he was to receive regular rate of interest and was not to share in the profits or losses of the association. *Held,* on the failure of the association, that the above agreement established a relation of debtor and creditor between the parties, and that plaintiff's claim was entitled to precedence over that of other stockholders.

Very few cases involving this point have ever been decided. In some States the issuance of such non-participating stock is prohibited. *State v. Oberlin Asso.,* 35 O. St. 258; *Stiles' Appeal,* 95 Pa. St. 122. In the following cases it has been held that the holders of such stock are on no different footing as creditors from the holders of the ordinary stock. *Leahy v. Asso.,* 76 N. W. 625 (Minn.); *Hohenshell v. Asso.,* 41 S. W. 948 (Mo.). The court relied upon the authority of *Cook v. Asso.,* 104 Ga. 814.

CORPORATIONS—CONSOLIDATION—DEBTS OF MERGED COMPANIES—PAYMENT.—SHADFORD V. DETROIT Y. & A. A. RY. CO., 89 N. W. 960 (Mich.).—Plaintiff had secured a judgment against one of the merged companies of the defendant corporation subsequent to the consolidation. *Held,* that the consolidated corporation was liable for the debt, although the merged company was insolvent at time of merger.

This case is an important one, and it declares that the law will not permit the creditors of two corporations to be deprived of the assets of such corporations in payment of their debts and turn them over to suits in equity against the stockholders when the union with another corporation is effected